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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re	:	
	:	
WORLDCOM, INC., <u>et al.</u>,	:	Chapter 11 Case No.
	:	02-13533 (AJG)
	:	
Reorganized Debtors.	:	(Jointly Administered)
	:	
MCI WORLDCOM	:	
COMMUNICATIONS, INC. and	:	
WORLDCOM, INC.	:	
	:	
Plaintiffs,	:	Adv. Pro. No. 05-3143 (AJG)
	:	
v.	:	
	:	
HSG/ATN, INC.,	:	
	:	
Defendant.	:	

**ORDER GRANTING REORGANIZED DEBTORS' MOTION FOR
SUMMARY JUDGMENT WITH RESPECT TO CLAIM NOS. 38580 AND 38583
FILED BY HSG/ATN, INC., AND GRANTING, IN PART,
HSG/ATN, INC'S MOTION FOR SUMMARY JUDGMENT**

THIS MATTER having been brought before the Court on Reorganized Debtors' Motion for Summary Judgment (docket no. 17995 in Case No. 02-13533) and HSG/ATN, Inc.'s ("HSG") Motion for Summary Judgment (docket no. 12 in Adv. Pro. No. 05-3143) and at a hearing on April 25, 2006, the Court having reviewed the papers submitted in support of the Motions, the oppositions thereto, and the parties arguments at the hearing, and the Court having issued a Memorandum Opinion regarding this matter on February 14, 2007 (docket no. 18715 in Case No. 02-13533 and docket no. 26 in Adv. Pro. No. 05-3143), it is ORDERED that

1. The Reorganized Debtors' Motion for Summary Judgment is GRANTED with respect to claim nos. 38580 and 38583 (amending claim nos. 36482 and 38458). HSG's pre-petition and post-petition allowable claim amount for residual commissions earned through November 21, 2002,¹ is \$1,516,830.53, payable as a general unsecured claim ("HSG's General Unsecured Claim").
2. HSG's Motion for Summary Judgment is GRANTED in part and DENIED in part. HSG's Motion for Summary Judgment with respect to Reorganized Debtors' claims against HSG for tortious interference is granted. HSG's Motion for Summary Judgment for alleged violations of the automatic stay is granted without prejudice to the portion of the Reorganized Debtors' Complaint seeking compensatory damages in the form of sanctions under Section 105(d) of Title 11 of the United States Code (the "Bankruptcy Code"). HSG's Motion for Summary Judgment with respect to Reorganized Debtors' claim under Section 549 of the Bankruptcy Code is denied.

¹The Court's Memorandum Opinion incorrectly noted the date through which Commissions were earned as November 24, 2002. The correct date is November 21, 2002.

3. Reorganized Debtors have claimed in Adv. Proc. No. 05-3143 that, under section 549 of the Bankruptcy Code, they are entitled to recoup or offset the post-petition payments, at least to the extent they were paid in excess of any amounts that should have been paid under the Debtors' Modified Second Amended Joint Plan of Reorganization. Reorganized Debtors' claim under section 549 is still pending. Because the section 549 claim remains pending in Adv. Proc. No. 05-3143, Reorganized Debtors are not obligated to pay HSG's General Unsecured Claim until resolution of the adversary proceeding.

Therefore,

- a. Subject to paragraph 3 above, Claim Numbers 38580 and 38583 (amending claim nos. 36482 and 38458) are hereby reduced and allowed in the amount of \$1,516,830.53, payable as a general unsecured claim.
- b. A pretrial conference concerning the Reorganized Debtors' remaining claims (Section 549 and 105 claims) in Adv. Pro. No. 05-3143 is set for April 17, 2007 at 10 a.m. (Eastern Daylight Savings Time).

SO ORDERED.

Dated: New York, New York
March 22, 2007

s/Arthur J. Gonzalez
THE HONORABLE ARTHUR J. GONZALEZ
UNITED STATES BANKRUPTCY JUDGE